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HUMAN RESOURCE MANAGEMENT PRACTICES AND PERFORMANCE OF EMPLOYEES IN
AGRICULTURAL SECTOR;

A Study of Kenya Agriculture Livestock Research Organization (KALRO) Katumani Station –
Machakos County)

¹Haron M.Mutua-haronmutua80@yahoo.com- 0713267569 PhD Candidate - Maasai Mara University

²Paul Geteni Makori- gethni2007@gmail.com, 0727677828 PhD candidate- University of Eldoret

³Nahshon Ngau Mutua- nngaumutua@yahoo.com 0721858089 PhD candidate- Kisii University

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Abstract

The purpose of this study was to evaluate HRM practices affecting employees in the Agricultural Sector. The study specifically sought to establish how HRM practices are integrated in Kenya Agriculture Livestock Research Organization (KALRO) – Katumani in Machakos County. It also examined the benefits of HRM practices in the agriculture sector as well as the challenges facing the managers when employing HRM practices. The study was guided by the theory of HRM as proposed. The target population was 220 employees and the management staff drawn from the four departments namely; Human resource, ICT, Research and production and field services. To obtain employees who participated in the study from each department, simple random sampling was applied to select 80 employees out of 220 Purposive sampling was used in order to include the managers or Heads of Departments while simple random sampling was applied to select the employees who participated in the research study. The researcher used questionnaire, and interview methods to collect data. Further, data analysis was done using descriptive statistical techniques such as calculations of means, frequencies, percentages and tables. Information collected through interview schedules was analyzed qualitatively. The study established that majority of the respondents were issued with letters of appointments to occupy their current positions in the organization. Many respondents said that the organization practiced free and fair recruitment and selection process. There were chances of promotion to higher positions in the organization. The organization carried out orientation and induction to its newly recruited staff. The study findings revealed that the organization indeed value employee training. The institution did not in any way cater for the cost of training of the employees. The management created open and comfortable working conditions. The study established that most employees have never been rewarded whatsoever since joining the institution. The respondents rated the reward system in the organization as ineffective. The study findings revealed that the organization did not provide any form of motivation to its employees in order to enhance their performance. The study further recommended that the organization should invest on providing training to its employees to enhance their performance. It also recommended that the organization should develop recognition and reward system for its employees. Finally, the study recommended that the organization should adopt employee motivation as a strategy to enhance their performance.

Key Words: Employee performance, HRM practices, Challenges, Agricultural sector, KARI

Introduction

Our environment is changing faster and becoming more complex, more competitive and more global than ever. To compete in this environment, today's organizations must be more competitive, adaptive and lean. The

organizations must think globally and they must decentralize. They must foster quality, cost reduction, and innovation. They must be willing to enter into alliances with customers, suppliers, and even competitors. To compete favorably in this environment, people in today's organizations must be willing and be adaptable

to the ever changing and demanding environment. For personnel and human resource managers, this translates into opportunity and excitement because theirs is the challenge to match the very-changing needs of organization with quality human resources (Jones, 1985). A study carried out by Steers (1977), found out that “the highly committed employees” had a strong desire to attend to work and had a positive attitude about employment. This made them to increase their output and by extension their performance. Bruce (2000) had a similar finding in his study of training and organizational outcomes. Although Owen’s study centered on the overall impact of training, he was able to find a correlation between commitment and performance. The study found that employee’s that had a higher level of commitment also had a higher level of “performance”. The aforementioned studies are representative of much of the research available relating to commitment and turnover. Commitment has a significant and positive impact on job performance and on workforce retention.

The underlying belief is that a more committed employee will perform better at their job. The likely outcome of employees performing better and being more productive is overall improvement in workforce stability. Whether employee commitment is enhanced through training, compensation, evaluation, or any other combination of human resource practices, research typically finds that a committed individual is one who remains with the company (Armstrong, 2000). According to Sagimo(2002) with well trained staff an employer can take on more and develop new project, reach more people, enhance a company’s reputation and that all important bottom line-make an organization more profitable.

As an active ingredient of production, people, form a distinct type of resource. They are quite

different from other passive, natural and capital resource. Thus a separate department has been set up in many organizations to take care of their individual needs and to match them with the requirement of the organization in order to achieve the much desired organizational goals and objectives. The strategic use of human resource will differentiate between better run companies and the rest (Dessler, 2005). Companies that are leading in any sector are those which are most advanced in maintaining qualified and committed people. These are people with clear thinking and innovative minds and the courage to accept responsibility for their own decisions (Robin, 1998).

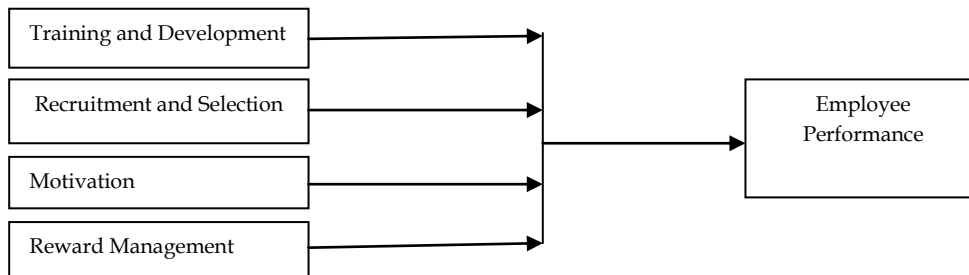
Physical and monetary resources, by themselves, cannot improve efficiency or contribute to an increased rate of retention on investment. It is through the combined and concerted efforts of people that monetary and material resources are harnessed to achieve organizational goals (Aquinas, 2010). Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they confine to maintain their commitment to the organization are essential in achieving organizational objectives. In essence, HRM is the qualitative improvement of human beings who are considered the most valuable asset of the organization (Scott *et al.*, 1977).

The KALRO field stations are responsible for recruiting, training, assigning duties and motivating employees in their respective stations (firms). Therefore, the study sought to investigate the HRM practices affecting employees’ performance in KALRO- Katumani Station, Machakos County. The specific research objectives of the study were: To find out if training and development, recruitment and selection, employee motivation and reward management influences employees’ performance.

Conceptual Framework

Independent Variable

Dependent Variable



Source; (Author, 2016)

Literature Review

Training and Development

Employee training is a specialized function and is one of the fundamental operative functions of HRM. It improves changes and moulds the employees' knowledge, skills, behavior, aptitude and attitude towards the requirements of the job and the organization. Training bridges the difference between job requirements and employees present specifications. In a rapidly changing society, employee training and development is not only an activity that is desirable but also an activity that an organization must commit resources to, if it is to maintain a reliable and knowledgeable workforce (Aquinas, 2010).

Development is a related process. It covers not only those activities which improve job performance, but also those which bring about growth of the personality; help individuals in the progress towards maturity and actualization of their potential capacities so that they become not only good employees but also better human beings. In organizational terms, it is intended to equip persons to earn promotions and hold greater responsibility (Flippo, 1981). As Reynolds (2004) points out, training has a complementary role to play in accelerating learning. It should be reserved for situations that

justify a more directed, expert-led approach rather than viewing it as a comprehensive and all pervasive people development solution. He also commented that the convectional training model has a tendency to emphasize subject specific knowledge, rather than trying to build core learning abilities. For training to be of great use; - Identify the training needs, decide what sort of training is required to satisfy these needs, use experience and training to implement training and follow up and evaluate training to ensure that it is effective(Armstrong, 2006).

Recruitment and Selection

According to Kempner, recruitment forms the first stage in the process which continues with selection and ceases with the placement of the candidate. Securing and employing the people possessing required kind and level of skills is necessary in order to achieve the organizational objectives. According to Flippo, recruitment is the process of searching for prospective employees and stimulating and encouraging them to apply for jobs in an organization. The selection process involves judging candidates on a variety of dimensions, ranging from the concrete and measurable, like years of experience to the abstract and personal like leadership potential. The primary aim employee

selection is to choose those persons who are most likely to perform their jobs with maximum effectiveness and remain with the company (Aquinas, 2010).

Employee Motivation

Motivation may be defined as those forces that cause people to behave in certain ways. It encompasses all those pressures and influences that trigger, channel, and sustain human behavior. Motivation has been defined by Juicus as “the act of stimulating someone or oneself to get a desired course of action.” People are complex and they are uniquely different. What motivates one person may not motivate another. Most successful managers have learned to understand the concept of human motivation and are able to use that understanding to achieve higher standards of subordinate’s work performance (Aquinnas, 2010). Motivation is an effective instrument in the hands of a manager for inspiring the work force and creating confidence in it. By motivating the workforce, management creates “will of work” which is necessary for the achievement of organizational goals (Aquinnas, 2010).

Reward Management

According to Armstrong (2000) reward management is concerned with the formulation and implementation of strategies and policies, the purposes of which are to reward people fairly, equitably and consistently in accordance with their value to the organization. Its aim is to meet the needs of both the organization and its stakeholders. It involves the analysis and effective control of employee remuneration and covers salary and all benefits. It assesses the nature and extent of rewards and the way they are delivered as well considering their effect on both the organization and staff. While previously considered the domain, large companies have also begun employing them as a tool to lure top employees in a competitive job

market as well as to increase employee performance (Derek, 2004). Although many elements of designing and maintaining reward and recognition systems are the same, it is useful to keep this difference in mind, especially for small business owners interested in motivating staffs while keeping costs low (Bruce, 2000).

In designing a reward program, a small business owner needs to separate the salary or merit pay system from the reward system. Financial rewards, especially those given on a regular basis such as bonuses, gain sharing, etc., should be tied to an employee’s or a group’s accomplishments and should be considered “pay at risk” in order to distance them from salary. By doing so, a manager can avoid a sense of entitlement on the part of the employee and ensure that the reward emphasizes or achievement rather than basic competency (Dessler, 2005). Merit pay increases, then, are not part of an employee reward system. Normally, they are an increase for inflation with additional percentages separating employees by competency. They are not particularly motivating since the distinction that is usually made between a good employee and an average one is relatively small (Saleemi, 1997).

Methodology

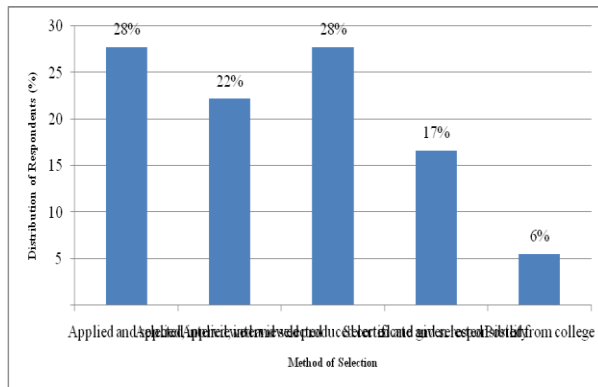
The research design used here was a case study. The study was based on the theory of Human Resource Management as supported by Decenco and Robbins (1989) and Owen (1987). The study targeted 220 employees and management drawn from the four departments existing in the KALRO-Katumani Station. To obtain employees who participated in the study from each department, simple random sampling was applied to select 80 employees out of 220. The four managers were purposively included in the study. This study used questionnaires and interview schedule to collect data. The analysis

of the data was done using frequency and percentages.

Findings and Conclusion

Selection

Method of Selection



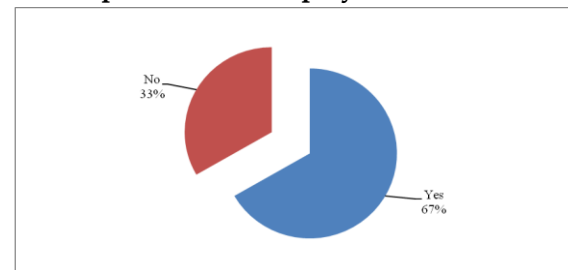
Source: Author (2016)

The study established that according to 28% of the respondents employees either applied and were selected or applied from where they were interviewed and produced certificates and were then selected. Another 22% of the respondents applied, were interviewed and were selected. Further, majority of the respondents (83%) were issued with letters of appointments to occupy their current positions in the organization. Majority of the respondents (72%) indicated that the organization practiced free and fair recruitment and selection process. Majority of the respondents (78%) indicated that there were chances of promotion to higher positions in the organization. The results revealed that 67% of the respondents indicated that indeed the organization carried out orientation and induction to its newly recruited staff. The study established that the employees are confirmed differently. While 39% are confirmed after six months, 28% the employees are confirmed after two years. The results also established that 11%

of the respondents indicated that the new recruits are confirmed after one year.

Training and Development

The findings of the study revealed that according to majority of the respondents, training and development affected the employee performance in the organization. **Training and Development affect Employee Performance**

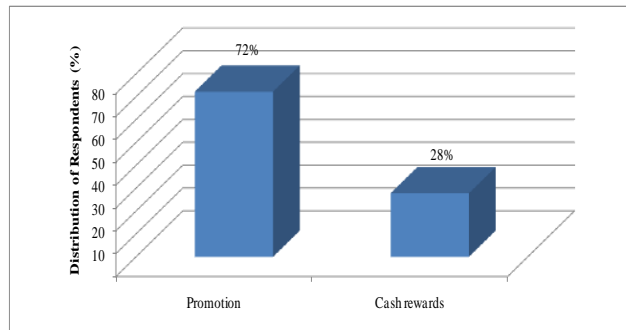


Source: Author (2016)

The results show that majority of the respondents (72%) indicated that the organization indeed value employee training. The findings show that according to majority of the respondents (61%), the institution did not in any way cater for the cost of training of the employees. The results further show that 39% of the respondents indicated that the institution indeed catered for the training costs. The results show that majority of the respondents (61%) agreed with the statement that the management created open and comfortable working conditions. The results also show that while 44% indicated that training that the organization provided enabled them to do the work well. The study also established that respondents agreed and disagreed in equal measure (50%) that the management recognized and made use of their ability and skills. The results show that 55% of the respondents are encouraged to develop new and more efficient ways to do their work.

Reward and Recognition

Recommended Reward Practices

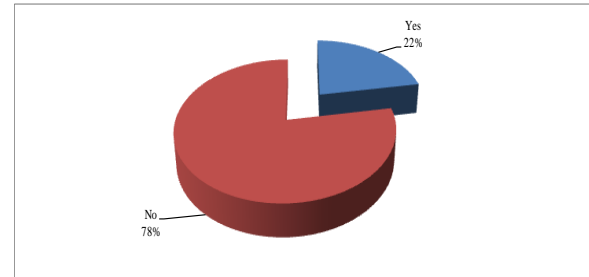


The results of the study show that majority of the respondents (72%) have never been reward whatsoever since joining the institution. The findings revealed that majority of the respondents (61%) have rated the reward system in the organization. Respondents indicated that the organization should have a system where hard work or good performance is recognized and rewarded as a motivation for the employees. The results show that majority of the respondents (72%) preferred promotion as the best way to reward hard work.

Motivation

The results show that majority of the respondents (67%) are not motivated at all. Only 33% respondents are motivated to perform their work. According to the findings of the study, majority of the respondents indicated that the organization did not provide any form of motivation to its employees in order to enhance their performance.

Firm Provide Motivation to Boost Employee Performance



Source: Author (2016)

Conclusion

Based on the findings of the study it can be concluded that majority of the respondents were issued with letters of appointments to occupy their current positions in the organization. Most respondents said that the organization practiced free and fair recruitment and selection process. There were chances of promotion to higher positions in the organization. The organization carried out orientation and induction to its newly recruited staff. Training and development affected the employee performance in the organization. The findings revealed that the institution did not in any way cater for the cost of training of the employees. The management created open and comfortable working conditions. The management of the organization recognized and made use of employees' ability and skills.

The study established that most employees have never been rewarded whatsoever since joining the institution. The respondents rated the reward system in the organization as ineffective. The employees preferred promotion as the best way to reward hard work. The employees in the organization are not motivated at all. The study findings revealed that the organization did not provide any form of motivation to its employees in order to enhance their performance.

Recommendations

The study established that the recruitment and selection process at KARI is free and fair and the

employees went through the recommended recruitment and selection process. The study recommends that other KARI-field research stations should adopt free and fair recruitment and selection process in hiring employees. Further, training and development enhanced employee performance. However, the organization does not cater for the cost of training its staff. The study recommends that the organization should invest on providing training to its employees to enhance their performance. The study recommends that the organization should develop recognition and reward system for its employees. The findings revealed that the employees are de-motivated as the organization offered no motivation at all to its employees. The study recommends that the organization should adopt employee motivation as a strategy to enhance their performance.

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